

INFORMATION FOR CUSTOMERS IN SPAIN

It is important to read and understand the risks of investing in crypto assets, which are explained in detail below:

High risk investment product

The value of investments and the returns obtained from them may experience significant upward and downward variations and the entire amount invested may be lost.

Investments in early-stage projects involve a high level of risk, so it is necessary to properly understand their business model.

The crypto-assets in the scope of this Circular are not covered by client protection mechanisms such as the Deposit Guarantee Fund or the Investor Guarantee Fund.

The prices of crypto-assets are established without any mechanisms that ensure their correct formation, such as those used in regulated securities markets.

Many crypto-assets may lack the liquidity necessary to allow an investment to be unwound without significant losses, since their distribution among investors, both retail and professional, can be very limited.

Technology risks

Distributed ledger technologies are still in an early stage of development as many of these networks have been created very recently, so they may not be sufficiently tested and there may be significant failures in their operation and security.

The registration of transactions in networks based on distributed ledger technologies is carried out through consensus protocols that may be susceptible to attacks that attempt to modify the register. If they were to be successful there would be no alternative register that backs up the transactions and hence the balances corresponding to the public keys and therefore all the crypto-assets could be lost

The anonymity that crypto-assets can make them a target for cyber criminals, since if credentials or private keys are stolen the crypto-assets may be transferred to addresses that make their recovery difficult or impossible.

The custody of crypto-assets is a large responsibility since they can be lost in their entirety in the event of theft or loss of private keys. The entity that carries out the custody of the advertised crypto-assets, the country in which it is carried out and the applicable legal framework must be identified.

Legal risks

The acceptance of crypto-assets as a means of exchange is still very limited and there is no obligation to accept them.

When the service provider is not established in a European Union country, the resolution of any conflict could be costly and fall outside the jurisdiction of the Spanish authorities.

When the investor does not have the crypto-assets, as they are in the service provider's digital wallets and with no access to their private keys, this will be indicated and the investor's rights in

relation to the crypto-assets duly stated.